

Entered October 24, 1955
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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 937
Order No. R-695

THE APPLICATION OF GULF OIL
CORPORATION FOR AN ORDER
ESTABLISHING AN UNORTHODOX OIL
PRORATION UNIT IN THE SOUTH HALF
OF FRACTIONAL SECTION 36, TOWN-
SHIP 26 SOUTH, RANGE 31 EAST, NMPM,
NORTH MASON-DELAWARE POOL, EDDY
COUNTY, NEW MEXICO, CONSISTING OF
LOTS 3 AND 4 OF SAID SECTION, CONTAIN-
ING 50.6 ACRES OF LAND, MORE OR LESS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 17, 1955 and September 15, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 13th day of October, 1955, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Lots 3 and 4 of fractional Section 36, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, together contain 50.6 acres of land more or less.

(3) That the acreage in question lies within the defined limits of the North Mason-Delaware Pool.

(4) That a well drilled on either Lot 3 or 4 would be entitled to only approximately 25/40 of the allowable assigned to a full 40-acre unit.

(5) That Gulf Oil Corporation is the owner of an oil and gas lease covering, among other lands, Lots 3 and 4 of fractional Section 36, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, and that applicant proposes to drill a well in Lot 3, located 660 feet east of the west line and 1757 feet south of the north line of said fractional Section 36, the well to be

known as the Eddy State "AG" No. 3, to be completed in the common source of supply heretofore designated as the North Mason-Delaware Pool.

(6) That applicant's proposed well, Eddy State "AG" No. 3, will efficiently and economically drain the proposed oil proration unit; that the formation of the proposed unit will not result in waste, but will prevent the drilling of unnecessary wells and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Gulf Oil Corporation for approval of an unorthodox oil proration unit consisting of the following acreage:

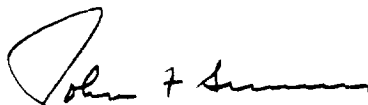
TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM
Lots 3 and 4 of fractional Section 36

be, and the same hereby is approved, and a proration unit of the aforesaid acreage is hereby created.

(2) That applicant's well, Eddy State "AG" No. 3, located in Lot 3 of fractional Section 36, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, North Mason-Delaware Pool, shall be granted an allowable effective on completion of well in the proportion that the above-described 50.6 acre unit bears to the standard proration unit for said pool.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

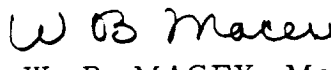
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

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